

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS

<u>In Re:</u>	)	
	)	
SOMERVILLE BREWING COMPANY	)	Chapter 11
	)	Case No. 19-13300-FJB
DEBTOR	)	
	)	

**RECONCILIATION REPORT FOR JANUARY 2020**

Somerville Brewing Company (“Somerville Brewing”), as provided for in the *Debtor’s Motion to Extend Use of Cash and Non-Cash Collateral* and the *Budget* attached to the *Cash Collateral Motion* as Exhibits A and B (the “Cash Collateral Motion” and the “Budget”)) [Doc. No. 42] and the *Assented to Further Order Regarding Adequate Protection and Use of Cash Collateral* (the “Third Interim Cash Collateral Order”) [Doc. 100] entered on December 18, 2019, the Debtor submits the Reconciliation Report for the period of the January, 2020 through January 31, 2020.

The Debtor continues to address the matters with regard to operating in a Chapter 11 as it pursues the restructuring of its obligations through Chapter 11. As to the discrepancies, the Debtor notes that the reason for January is typically the month with the lowest revenues, and this January there was the difficulty, that there were five payroll periods. The shortfall in revenues resulted in the diminution of cash which the Debtor hopes to recover from in February, while continuing its efforts to sell its business operations, which the broker has advised that there continues to be interest although no offers have yet been received.

It is anticipated that February 2020 will meet the projections while continuing to market the sale of its businesses.

Respectfully submitted,  
**Somerville Brewing Company**  
By its attorney,

Dated: February 18, 2020

/s/ Nina M. Parker  
Nina M. Parker (BBO #389990)  
Marques C. Lipton (BBO #676087)  
Parker & Lipton  
Parker & Associates LLC  
10 Converse Place, Suite 201  
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Somerville Brewing Company  
January 2020 Budget Reconciled

	1/1-1/31/2020 Budget	Actual
Cash Receipts (including meals tax & CC Tips)	\$ 290,800	\$ 208,543
Cost of Sales		
Food & Supplies	\$ 37,804	\$ 33,808
Brewery Materials	\$ 9,500	\$ 6,278
Credit Card Processing Fees	\$ 6,776	\$ 4,856
	<u>\$ 54,080</u>	<u>\$ 44,942</u>
Gross Profit	\$ 236,720	\$ 163,601
Operating Expenses		
Payroll & Payroll Liabilities	\$ 114,000	\$ 114,839
Advertising	\$ 800	\$ 1,108
Restaurant Supplies	\$ 300	\$ 278
Linen Service	\$ 2,200	\$ 1,634
Cutlery/Knife Sharpening	\$ 200	\$ 174
Cable TV/Internet/Music	\$ 2,800	\$ 1,349
Trivia Fees	\$ 1,400	\$ 1,350
Pest Control	\$ 265	\$ 190
Telephone System	\$ 165	\$ 165
Online Services/Apps	\$ 550	\$ 513
Freight	\$ 200	\$ 188
Automobile Fuel	\$ 150	\$ 105
Rent	\$ 25,274	\$ 25,274
Storage Fees	\$ 1,690	\$ 1,496
CAM Charges	\$ 5,309	\$ 5,341
Insurance	\$ 4,700	\$ 4,878
Facility Repairs	\$ 350	\$ 131
Trash Removal	\$ 1,700	\$ 1,411
Electric Utilities	\$ 2,600	\$ 2,461
Gas Utilities	\$ 950	\$ 1,018
Payroll Fees	\$ 250	\$ 2,021
Bank Fees	\$ 150	\$ 271
Excise Taxes	\$ 180	\$ 130
License/Permit Fees	\$ -	\$ -
Legal/Accounting Fees	\$ 5,000	
Misc	\$ 5,000	\$ 5,133
Total Expenses	<u>\$ 176,183</u>	<u>\$ 171,458</u>
Non-Operating Expenses		
Meals Tax	\$ 16,324	\$ 11,265
Employee Tips	\$ 41,276	\$ 30,678
US Trustee Fees	\$ 1,625	\$ -
Total Non-Operating Expenses	<u>\$ 59,225</u>	<u>\$ 41,943</u>
TOTAL EXPENSES	<u>\$ 235,408</u>	<u>\$ 213,401</u>
NET INCOME	<u>\$ 1,312</u>	<u>\$ (49,800)</u>

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<b>DEBTOR</b>	)	
	)	

**CERTIFICATE OF SERVICE**

I, Nina M. Parker, do hereby certify that I have given either electronic notice, fax notice and/or mailed, postage prepaid, copies of the **Reconciliation Report for January 1 – January 31, 2020** to the parties listed on the annexed service list.

/s/ Nina M. Parker  
Nina M. Parker (BBO #389990)  
Marques C. Lipton (BBO #676087)  
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DATED: February 18, 2020

## Electronic Mail Notice List

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